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Spotlight

ON FOREIGN MARKETING

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TO FAS MARKET DEVELOPMENT COOPERATORS AND AGRICULTURAL ATTACHES

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REVIEW SESSION HIGHLIGHTS

A useful exchange of information developed out of the market development review sessions in Rotterdam, New Delhi, and Tokyo. Agricultural attaches and FAS/Washington representatives attended the sessions.

The Rotterdam session included co-operator personnel of Great Plains Wheat, U.S. Feed Grains Council, Soybean Council of America, and the Institute of American Poultry Industries. Discussions centered on the new campaign category approach and diagramming of the activities section of the marketing plan.

Similar review sessions were held with Wheat Associates in New Delhi and with National Renderers Association, Wheat Associates, U.S. Feed Grains Council, American Soybean Association and the Institute of American Poultry Industries in Japan.

At the Rotterdam meeting representatives of the Albert Heijn supermarket chain in the Netherlands and Delhaize chain in Belgium discussed European trends in food marketing and conditions for satisfactory promotion of American foods. Three representatives of a Dutch advertising agency, HNV, discussed advertising trends in Europe.

CURRENT SERIAL RECORDS



Individual meetings of several of the cooperators were held at the Rotterdam Market Development Review Session. Shown is the meeting of Great Plains Wheat with the attaches and FAS/Washington representatives.

These points were brought out by the agency:

1. Advertising is more and more directed to specific age groups rather than socio-economic groups of geographic areas. All teenagers want and buy the same things regardless of area or family status.
2. European consumers are becoming internationally minded--and expect advertising to reflect this switch.
3. A central marketing strategy can be developed for the inter-

nationally inclined consumer, but local situations still require some adjustment to meet local needs and prejudices.

4. A market must be carefully researched prior to launching any promotional activities. This is particularly true for U.S. or other third-country products because of local preferences in the Common Market.

SPECIAL TRADE PROMOTION MISSION ANNOUNCED

Secretary of Agriculture Freeman will lead a special trade promotion mission to Japan and Taiwan during the period April 3-13.

The trade mission will be made up of Members of Congress, governors from agricultural states, farm organization leaders, and agricultural trade specialists. Wives will accompany some of the mission members.

"The purpose of the mission," Secretary Freeman said, "is to establish and strengthen high level contacts among the government and business leaders in these countries who make the ultimate decisions as to what agricultural products will be imported, how much, and from whom.

"To this basic purpose we are adding a new dimension that we have not had in our trade missions in the past--and this will be the furtherance of direct contacts with consumers, the people who have the ultimate voice as to whether our products will be purchased in the food shops. This responsibility will be carried out by the women members of the mission."

The trade mission's first stop will be Tokyo where Secretary Freeman will

open the U.S. Food and Agricultural Exhibition which is being held April 5-21 under joint sponsorship of the Department of Agriculture, 12 participating State governments, U.S. agricultural commodity groups, and the U.S. food industry. It will be the largest U.S. food sales promotion event ever held in the Far East.

The Secretary and other mission members will meet with Japanese leaders in a series of trade conferences in Tokyo. Japanese participants will include government officials, trade association leaders, and food and fiber importers, processors, and distributors.

After a week in Tokyo, Congressional members of the mission, farm and trade leaders, and five of the State governors will accompany Secretary Freeman on the trip to Taiwan. Five governors will remain in Tokyo to be hosts to a series of trade promotion events featuring U.S. agricultural regions. Ten additional governors who expect to accompany Secretary Freeman only as far as Tokyo will continue on to visit counterpart Japanese prefectural governors.

TOKYO RETAILERS SAMPLE U.S. FOOD

Twenty-one retailers from four prominent store systems in Japan were recent guests at the U.S. Trade Center for a preview of the American foods they will be backing in April in-store promotions. Setting up the show were the eight U.S. trade cooperators which represent these products in Japan. The month-long store campaigns will run concurrent with the U.S. Food and Agricultural Exhibition in Tokyo, April 5-21.



Representatives of the eight cooperator groups who demonstrated and sampled their products for Japanese retailers taking part in American food promotions next month.

Japanese retailers came from Daimaru, Inc., with department stores in Osaka, Kyoto; and Kobe; and Tokyo stores Isetan Co., Ltd., Kinokuniya Supermarket Co., Ltd., and Meidi-ya Co., Ltd.

Products displayed and sampled included margarine, salad oils, soy sauce, grapefruit, oranges, lemons, turkey roasts and chicken rolls, prunes, raisins, doughnuts, and dog food--most of which will also be promoted in co-operator booths at the show. An ice cream-like dessert made with a soybean-base concentrate imported from the U.S. was a featured treat.

Response was enthusiastic. Toyotaro Ikuta of the Kinokuniya Supermarkets said of the products, "We want them all in our month-long American promotion this spring." M. Akashi, Manager of the Foreign Trade Department of Meidi-ya, said he expects heavy April purchases of these foods during the promotion period. Three of Meidi-ya's largest Tokyo supermarkets--including the main store in the famed Ginza shopping district--will stage the U.S. food campaign.

The American foods promotion at the Isetan department store in Tokyo will be held April 6-18; the Daimaru stores in Osaka, Kobe, and Kyoto, April 2-7; the Kinokuniy supermarkets in Tokyo, April 6-May 5; and the Meidi-ya Tokyo supermarkets in Kyobashi and Marunouchi, April 5-21, and Rappongi, April 5-May 5.

EXPORT PROMOTIONS BOOSTING RAISIN EXPORTS

Sharply increased export sales of California raisins are reported by Henry J. Andreas, Manager, California Raisin Advisory Board.

Exports for the first three months of the 1967-68 season (September-November) totaled 23,653 tons--a 33 percent increase over the 17,798 tons sold abroad during the first quarter of the 1966-67 marketing year.

The major sales increases were in Japan, the United Kingdom and West Germany, countries in which the CRAB has active export promotion programs.

Sales in West Germany were up 50 percent, due in part to a sampling program in which California raisins were introduced to 42,000 German stores. Many of the grocers had previously preferred the lower-priced, yellow-colored raisins from the Mediterranean countries.

Andreas says, the CRAB's biggest success story is in Japan where sales have been built up to about 20,000 tons annually. The Japanese raisin market was practically non-existent when promotion activities started in 1961.

About \$25 million worth of California raisins are now moving overseas each year--more than one-fourth of the total sales of California raisins.

AMBASSADOR ROTH WARNS AGAINST TRADE PROTECTIONISM

"Protectionist forces here and abroad have taken the offensive," warned Ambassador William M. Roth, the President's Special Representative for Trade Negotiations, in a speech at the annual meeting of Tobacco Associates in Raleigh, North Carolina, March 5.

"Farmers in general -- and tobacco men in particular --," Roth said, "have long opposed the coddling of American industry by excessive tariffs or other import restrictions. They have learned from harsh experience that protectionism hits their pocketbooks three ways."

"First, it inflates the cost of the things they need to buy -- both as consumers and as producers. Second, it erodes the buying power of their customers abroad -- because the fewer dollars they can earn by *their* exports the less they have to buy ours. Third, protectionism here inevitably breeds protectionism abroad, and the raising of new and higher barriers against American exports."

NRA EUROPEAN DIRECTOR

Dean A. Specht, Executive Director of the National Renderers Association, has announced the appointment of Bernard L. Bradley as Director of NRA's European operations.

Bradley has worked as an European sales promotion and advertising consultant, holds a BS degree in Mechanical Engineering from Chelsea Polytechnic in London, and has worked as a translator and abstractor. He is fluent in five European languages.

As European Director for NRA, Bradley assumes responsibility for the



Bernard L. Bradley, the new Director of European Operations for the National Renderers Association.

office and staff in Rome and the Technical Consultant's office in Barcelona. He will direct the administration and execution of NRA's Promotion and Marketing program for 18 countries throughout Europe and the Middle East.

HOWARD L. ROACH

Howard Roach, 70, a pioneer of market development and the soybean industry, died suddenly of a heart attack at his home in Plainfield, Iowa, February 21.

Mr. Roach was one of the first in the U.S. to cultivate and process soybeans on a commercial basis. One of the founders of the Soybean Council of America, he was its first president from 1956 to 1964 and was instrumental

in setting up many of the soybean market development projects overseas. He was a member of the American Soybean Association for over a quarter of a century and its president in 1944 and 1945.

Other positions held by Mr. Roach include: President, Roach Soybean Mills; Vice President, Soybean Processing Company; President, Roach Farms, Inc.; President, Nashua Grain and Milling Company; and President, Fredericksburg Grain and Milling Company.

He was active in the Boy Scouts of America, the American Baptist Church, and the recipient of the D. Howard Doane Award for Service to American Agriculture.

MEASURING AD EFFECTIVENESS

Bruce McEvoy, Trade Projects Division, and Nick Havas, Trade Fairs Division, were among the participants in an AMA Advertising Management course in New York City, February 5-9.

The following points were emphasized:

1. There is no substitute for clearly defined, measurable objectives, if advertising campaigns are to be effective. In establishing objectives we should rely more on marketing research to determine what the customer wants. Oftentimes it's not what you tell the customer that's important but what the customer wants to know.
2. In testing the effectiveness of advertising the common practice of measuring readership, recall, and recognition is often

non productive. The measurement should have an objective in terms of marketing. The fact that a reader recalls seeing an advertisement doesn't mean he has changed his attitude toward the product.

CAMPBELL SUCCEEDS COMBEN AS LONDON USFGC DIRECTOR

The U.S. Feed Grains Council has named Colin Campbell as the director of its London office to succeed Norman Comben who resigned, effective March 1, to become chief Technical Advisor for Roche Products Limited in London.

Campbell joined the Council in 1963 as Technical Assistant with primary responsibilities for demonstrational activities in the U.K. and Ireland. He later assumed the role of Director for Denmark in addition to his animal nutrition work in these three countries.



Susan Holder, the 1968 Maid of Cotton.



HERE and THERE

The largest single export sale of American grain sorghum on record was celebrated in ceremonies at Corpus Christi, Texas, February 23. The shipment was the first in a 200,000-ton contract between the Producers Grain Corporation, the export arm of several regional grain cooperatives, and the National Purchase Federation of Agricultural Cooperative Associations (Zenkoren) of Japan. Other contracts between the two farmer cooperatives are expected to follow.

Budget hearings for FAS, including the market development program, will be taking place this month. The House hearing is scheduled for March 18 and the Senate hearing March 21.

Susan Holder, the 1968 Maid of Cotton, visited Toronto, Vancouver, Winnipeg and Montreal January 24-February 6 and participated in 20 fashion shows before over 6,800 persons. The MOC was interviewed on radio and TV for a total of 50 minutes of air time. Newspaper advertising and publicity was the equivalent of five full size newspaper pages.

Clipper Cargo Horizons, a monthly magazine of Pan American Airways, has a section on World-Wide Marketing Opportunities in which world traders are offered free listings of items to buy or sell. The February issue also features an article on the State of Pennsylvania program for promotion of agricultural and industrial products. The magazine is published in six languages and has a worldwide circulation of over 176,000. The address is Pan Am Building, New York, N.Y. 10017.

Ken Shindo, a Japanese feed specialist, has joined the National Renderers Association Far East Office staff in Tokyo. Shindo has worked in the Japanese government agricultural economic section and an experimental feed station in Brazil, and most recently as market development and sales representative for a private industrial firm in Japan. His work with NRA will include contacts with feed mill operators, technicians and nutritionists to promote the advantages of using renderer products in animal feeds.

United States Lines is building a fleet of what is claimed to be the "largest, fastest and most modern full containerliners on any ocean." Two of these 32,000-ton containerliners are already in operation and four more are under construction. The liners are equipped with plug-in deck facilities for the carriage of 90 forty-foot refrigerator containers for the movement of perishable cargoes.

Ivan Johnson, Livestock and Meat Products Division, appeared on WRC-TV in Washington, D.C., March 7, to tell the story of the big U.S. Polled Hereford sale to Chile. Video tapes of the program are being distributed to stations in the livestock producing areas.

Raymond R. Wentzel, a Durum milling specialist, is on a 45-day assignment to the Netherlands, Italy, West Germany, Switzerland, France and the United Kingdom to promote the usage of U.S. Durum and help overcome any milling problems which might possibly arise. European imports of Durum are increasing. Italy expects to be buying an additional 200,000 to 300,000 tons this year.

Fred Schneider, South East Asia Director, Wheat Associates, has scheduled more than 50 showings of U.S. wheat films on television stations, and in schools, around the Philippines the past six months.

The National Renderers Association Foreign Marketing Committee and its Far East Director, Jimmy Iso, met with Ivan Johnson, FAS, in San Diego, California, February 17-19, to discuss and review the FY 69 marketing plan.

The Central American Livestock Show in San Pedro Sula, Honduras, February 4-10, featured an educational pavillion sponsored by FAS and U.S. dairy and beef breed associations. Over 50 U.S. livestock industry representatives were present. The U.S. Ambassador to Honduras visited the facility on the opening day.

The Houston Livestock Show and Rodeo, February 21-March 3, had an international flavor with an FAS livestock booth in the International Exhibit Hall. About 400 foreign livestock people attended the show. Representatives of the Livestock and Meat Products Division manned the booth and met with U.S. and foreign livestock producers.

Raymond S. Burnett, Technical Director of the Madrid Servicing Office of the Soybean Council, has completed a two-year assignment and is returning to the U.S. A replacement will be named shortly.

The Southwestern Miller had an article in its January 29 issue on the "Shift to Wheat Foods in Taiwan" by Winn Tuttle, Director of Wheat Associates in Taipei. An accompanying editorial pointed to this wheat market development program as another Asia wheat success.

Great Plains Wheat and a newly formed government group of Guatemalan wheat millers signed a cooperative agreement, February 20, for a wheat products consumption campaign in Guatemala. The government agency hopes to increase the consumption of wheat products as a means of improving the nutritional values in the national diet. The cost of the campaign will be about \$50,000 per year and will be shared equally by the cooperating organizations.

The Wagstaff Battery Manufacturing Company in Portland, Oregon got an unusual assist from plywood recently in dealings with the government of Pakistan. The firm won a large order for industrial goods from the Pakistan government. They were pleasantly surprised to get another large order without being the low bidder. A check disclosed that Wagstaff had got the order because the company shipped the previous equipment in plywood crates.

Tsutomu Shigeta, a Japanese Food Agency official, is in the U.S. for 6½ month training program to learn about our wheat marketing system and the role of the government in it. The training program is under an FAS-Wheat Associates market development project.

Food Advertising in Japan is increasing rapidly, according to the February 15 issue of Japan Business News. All advertising in Japan increased 20 percent last year, double the amount spent in 1963. Food advertising increased the most "to meet the growing competition of foreign food imports."

Since the U.S. in-store program began in the United Kingdom in 1964, FAS has sponsored in-store promotions in 20,000 stores in 10 countries. In addition to the U.K., these campaigns have been carried out in France, Germany, Sweden, the Netherlands, Belgium, Italy, Japan, the Philippines, and Israel. U.S. food sales during the promotions have increased 25 to 40 percent above the normal annual rate.

The 1969 Dijon International Food Fair will take place in April instead of the usual September. The change was made for the convenience of foreign buyers who had found it difficult to travel to Dijon six weeks before the Christmas holidays.

A Slide Show, accompanied by a taped narration in Japanese and English, is being used by National Renderers Association in Japan to tell the story of Fats and Animal Proteins in Feeds. The slide presentations are brought to rural areas by a NRA team armed with slides, tape recordings, and several hundred copies of a publication containing the text of the narration. The team has already visited key cities in each of six poultry and swine production areas.

Experimental shipments of cotton in container vans are being made to Japan. A recent shipment of 98 bales in two container vans was made by the Marubeni-Iida Company of Dallas, Texas on the "K" Lines sailing out of Long Beach, California. Other experimental van shipments of cotton are expected to follow.

Clean hands are expected at the U.S. Food and Agricultural Exhibition in Tokyo. The All Japan Soap Association, one of the foreign cooperators for the National Renderers Association, plans to distribute, 200,000 bars of soap at the fair.